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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

SEALED SUPERSEDING
INFORMATION

- v. -

S5 15 Cr. 867 (RMB)

REZA ZARRAB,

a/k/a "Riza Sarraf,"

Defendant.

- - - - -X

COUNT ONE

(Conspiracy to Defraud the United States)

The United States Attorney charges:

1. From in or about 2010, up to and including in or about March 2016, in the Southern District of New York, Turkey, the United Arab Emirates, and elsewhere, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, knowingly and willfully did combine, conspire, confederate, and agree together and with each other to defraud the United States and an agency thereof, to wit, to impair, impede, and obstruct the lawful and legitimate governmental functions and operations of the U.S. Department of the Treasury in the enforcement of economic sanctions laws and regulations administered by that agency.

Overt Acts

2. In furtherance of the conspiracy and to effect the illegal object thereof, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, committed the following overt acts, among others:

a. REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, arranged meetings in Turkey between approximately October 4 and 8, 2012, among Turkish government and banking officials and Iranian government banking and oil officials, including the then-Governor of the Central Bank of Iran and the then-finance director of National Iranian Oil Company ("NIOC") and a director of Petro Suisse Intertrade Company SA to discuss, among other things, ZARRAB conducting financial transfers using the proceeds of Iranian sales of natural gas at a Turkish bank ("Turkish Bank-1") and transferring the proceeds of Iranian sales of oil from China to Turkish Bank-1.

b. On or about October 6, 2012, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, spoke with a co-conspirator not named herein ("CC-1") about paying bribes to the General Manager of Turkish Bank-1.

c. On or about January 7, 2013, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, sent an email to a co-conspirator not named as a defendant herein ("CC-1"), an employee of Royal Holding, attaching instructions for an

international financial transfer from Turkish company ECB Kuyumculuk Ic Ve Dis Sanayi Ticaret Limited Sirketi in the amount of approximately \$600,000 to an energy company located in Turkmenistan ("Turkmeni Company-1").

d. On or about January 16, 2013, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, sent an email to a co-conspirator not named as a defendant herein ("CC-2") attaching a SWIFT message for a payment in the amount of approximately \$1,000,000 from Gunes General Trading LLC, a company located in the U.A.E., to Turkmeni Company-1.

e. On or about January 16, 2013, Gunes General Trading LLC, a co-conspirator not named as a defendant herein, caused an international wire transfer from the U.A.E. to Turkmeni Company-1 in the amount of approximately \$999,907, which was processed by a United States bank ("U.S. Bank-2").

f. On or about November 11, 2013, a co-conspirator not named as a defendant herein ("CC-3") sent an email to REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, attaching (1) a letter from the Hong Kong Intertrade Company ("HKICO"), signed by Seifollah Jashnsaz and stamped "CONFIDENTIAL," addressed to HKICO's bank concerning an approximately €100 million transfer to HKICO's account; (2) a letter from NIOC concerning an international financial transfer;

and (3) a letter from Turkmeni Company-1 dated May 30, 2013, addressed to the Deputy Minister of Iran's Oil Ministry, instructing that payment to Turkmeni Company-1 be made in U.S. currency.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Conspiracy to Violate the
International Emergency Economic Powers Act)

The United States Attorney further charges:

3. From in or about 2010, up to and including in or about March 2016, in the Southern District of New York, Turkey, the United Arab Emirates, and elsewhere, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, knowingly and willfully did combine, conspire, confederate, and agree together and with each other to violate, and to cause a violation of, licenses, orders, regulations, and prohibitions issued under the International Emergency Economic Powers Act.

4. It was a part and an object of the conspiracy that REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, would and did provide and cause others to provide financial services to Iran and to the Government of Iran prohibited by U.S. law, without first obtaining the required approval of the United States Department of Treasury's Office of Foreign Assets Control, and to evade and avoid the requirements

of U.S. law with respect to the provision of financial services to Iran and to the Government of Iran, in violation of Executive Orders 12959, 13059, 13224, 13599, 13622, and 13645 and 31 C.F.R. §§ 560.203, 560.204, 560.205, 561.203, 561.204, and 561.205.

(Title 50, United States Code, Section 1705; Executive Orders 12959, 13059, 13224, 13599, 13622, and 13645; Title 31, Code of Federal Regulations, Sections 560.203, 560.204, 560.205, 561.203, 561.204 & 561.205.)

COUNT THREE

(Bank Fraud)

The United States Attorney further charges:

5. From in or about 2010, up to and including in or about March 2016, in the Southern District of New York, Turkey, the United Arab Emirates, and elsewhere, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, did knowingly execute and attempt to execute a scheme or artifice to defraud a financial institution, the deposits of which were then insured by the Federal Deposit Insurance Corporation ("FDIC"), and to obtain moneys, funds, credits, assets, securities, and other property owned by and under the custody and control of such financial institution, by means of false and fraudulent pretenses, representations, and promises, and aided and abetted the same, to wit, inducing U.S. financial institutions to conduct financial transactions on behalf of and for the benefit

of the Government of Iran and Iranian entities and persons using money and property owned by and under the custody and control of such financial institutions, by deceptive means.

(Title 18, United States Code, Sections 1344 & 2.)

COUNT FOUR

(Conspiracy to Commit Bank Fraud)

The United States Attorney further charges:

6. From in or about 2010, up to and including in or about March 2016, in the Southern District of New York, Turkey, the United Arab Emirates, and elsewhere, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, and others known and unknown, knowingly and willfully did combine, conspire, confederate, and agree together and with each other to commit bank fraud, in violation of Title 18, United States Code, Section 1344.

7. It was a part and an object of the conspiracy that REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, would and did knowingly execute and attempt to execute a scheme or artifice to defraud a financial institution, the deposits of which were then insured by the FDIC, and to obtain moneys, funds, credits, assets, securities, and other property owned by and under the custody and control of a financial institution, by means of false and fraudulent

pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344.

(Title 18, United States Code, Section 1349.)

COUNT FIVE

(Money Laundering)

The United States Attorney further charges:

8. From in or about 2010, up to and including in or about March 2016, in the Southern District of New York, Turkey, the United Arab Emirates, and elsewhere, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, together with others known and unknown, in an offense involving and affecting interstate and foreign commerce, did knowingly transport, transmit, and transfer, and attempt to transport, transmit, and transfer, monetary instruments and funds to places in the United States from and through places outside the United States, in amounts exceeding \$10,000, and aided and abetted the same, with the intent to promote the carrying on of specified unlawful activity, to wit, (i) the illegal export of services to Iran as charged in Count Two of this Information, (ii) bank fraud as charged in Counts Three and Four of this Information, and (iii) an offense against a foreign nation involving bribery of a public official.

(Title 18, United States Code, Sections 1956(a)(2)(A) & 2.)

COUNT SIX

(Conspiracy to Commit Money Laundering)

The United States Attorney further charges:

9. From in or about 2010, up to and including in or about March 2016, in the Southern District of New York, Turkey, the United Arab Emirates, and elsewhere, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, together with others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Title 18, United States Code, Section 1956(a)(2)(A).

10. It was a part and an object of the conspiracy that REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, in an offense involving and affecting interstate and foreign commerce, would and did transport, transmit, and transfer, and attempt to transport, transmit, and transfer, monetary instruments and funds to places in the United States from and through places outside the United States, in amounts exceeding \$10,000, with the intent to promote the carrying on of specified unlawful activity, to wit, (i) the illegal export of services to Iran as charged in Count Two of this Information, (ii) bank fraud as charged in Counts Three and Four of this Information, and (iii) an offense against a foreign

nation involving bribery of a public official, in violation of Section 1956(a)(2)(A) of Title 18, United States Code.

(Title 18, United States Code, Section 1956(h).)

COUNT SEVEN

(Conspiracy to Commit Bribery and Possess Contraband in a Federal Detention Center)

The United States Attorney further charges:

11. From in or about 2016 up through and including at least in or about June 2017, in the Southern District of New York and elsewhere, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate and agree together and with each other to commit offenses against the United States, to wit, (1) bribery, in violation of Title 18, United States Code, Section 201(b)(1)(C), and (2) possession of contraband in prison, in violation of Title 18, United States Code, Section 1791(a)(2).

12. It was a part and object of the conspiracy that REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, directly and indirectly, corruptly gave, offered, and promised things of value to a public official with intent to induce the public official to do and omit to do acts in violation of the lawful duty of such official, to wit, ZARRAB paid a corrections officer at a federal detention facility that

houses pretrial detainees (the "Jail"), to induce the officers to smuggle contraband, including cellphones and alcohol, into the Jail for him, in violation of Title 18, United States Code, Section 201(b)(1)(C).

13. It was a further part and an object of the conspiracy that REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, and others known and unknown, being inmates of a prison, possessed, obtained and attempted to obtain, prohibited objects, to wit, cellphones and alcohol, and did attempt to do so, in violation of Title 18, United States Code, Section 1791(a)(2).

OVERT ACT

14. In furtherance of said conspiracy and to effect the illegal objects thereof, the following overt act, among others, was committed in the Southern District of New York and elsewhere:

a. In or about 2016, a corrections officer gave REZA ZARRAB, a/k/a "Riza Sarraf," a cellphone to use in the Jail on multiple occasions.

(Title 18, United States Code, Section 371.)

FORFEITURE ALLEGATION

(Counts Two, Three, Four, and Seven)

15. As a result of committing the offenses alleged in Counts Two, Three, Four, and Seven of this Information, REZA

ZARRAB, a/k/a "Riza Sarraf," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses alleged in Counts Two, Three, Four, and Seven of this Information, including but not limited to a sum of money representing the amount of proceeds obtained as a result of the offenses.

Substitute Assets Provision

16. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a) cannot be located upon the exercise of due diligence;
- b) has been transferred or sold to, or deposited with, a third person;
- c) has been placed beyond the jurisdiction of the court;
- d) has been substantially diminished in value; or
- e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

FORFEITURE ALLEGATION

(Counts Five and Six)

17. As a result of committing the money laundering offenses alleged in Counts Five and Six of this Information, REZA ZARRAB, a/k/a "Riza Sarraf," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982, all property, real and personal, involved in the money laundering offenses and all property traceable to such property, including but not limited to, a sum of money representing the amount of property that was involved in the money laundering offenses or is traceable to such property.

Substitute Assets Provision

18. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a) cannot be located upon the exercise of due diligence;
- b) has been transferred or sold to, or deposited with, a third person;
- c) has been placed beyond the jurisdiction of the court;
- d) has been substantially diminished in value; or
- e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981, 982;
Title 21, United States Code, Section 853;
Title 28, United States Code, Section 2461.)

Joan H. Kim / ss
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Acting United States Attorney

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(18 U.S.C. § 371; 50 U.S.C. § 1705; 31
C.F.R. §§ 560.203, 560.205, 561.203,
561.204, 561.205; 18 U.S.C. §§ 1343,
1349, 1956, & 2.)

JOON H. KIM

Acting United States Attorney.
